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INFO RUCNCLS/ALL SOUTH AND CENTRAL ASIA COLLECTIVE  
RUCNISL/ISLAMIC COLLECTIVE  
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RUEHGO/AMEMBASSY RANGOON 2862  
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S E C R E T SECTION 01 OF 03 DHAKA 000535

SIPDIS

DEPT FOR SCA/INSB

E.O. 12958: DECL: 05/27/2019

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SUBJECT: HASINA ADVISOR: PRIME MINISTER FOCUSED ON  
ACHIEVING HER OBJECTIVES DESPITE OBSTACLES

REF: A. DHAKA 425

[1](#)B. DHAKA 395

Classified By: Ambassador James F. Moriarty, Reasons 1.4 (b) and (d)

#### SUMMARY

[1](#)1. (C) Bangladesh Prime Minister Sheikh Hasina continues to grapple with thorny problems like improving civil-military relations and overcoming inept bureaucrats, one of her advisors told the Ambassador. Gowher Rizvi, a long-time unofficial advisor to Hasina, said the Prime Minister was focused on combatting terrorism and establishing regular backchannel communication with her long-time rival, BNP chief Khaleda Zia. The Prime Minister also is considering ways to strengthen relations with neighboring India, Rizvi added.

#### BUREAUCRATIC INCOMPETENCE

[1](#)2. (C) One of the Prime Minister's main frustrations was the incompetence of the Government of Bangladesh (GOB) bureaucracy, Gowher Rizvi, a University of Virginia Vice Provost, told the Ambassador during a May 26 meeting. A prime example of this was the failure of GOB officials to adequately respond following a meeting between World Bank leaders and the Prime Minister shortly after she took office.

According to Rizvi, the PM and top World Bank officials agreed to collaborate on a comprehensive program to develop a social safety net for Bangladesh's poor. The PM instructed her government to work with the World Bank on this initiative and was dismayed to discover recently that GOB inertia had stalled the project.

[1](#)3. (C) Rizvi said the Prime Minister had noted a marked decline in the quality of civil servants between her 1996-2001 government and now. "It's not that (the bureaucrats) are unwilling or unsupportive," Rizvi commented. "They just don't have the capacity or expertise to do their jobs."

#### E-GOVERNANCE IN BANGLADESH?

[1](#)4. (C) One bright spot Rizvi noted was a UNDP-GOB e-governance initiative. A small team of young, foreign-educated Bangladeshis had set up shop in the Prime Minister's office, and, supported by the UNDP, was looking at ways to improve government service delivery. Rizvi said the team had built good relationships with mid-level GOB

officials and was working to empower the officials to implement reforms geared toward improving transparency and accountability.

15. (C) Several high-level GOB officials supported this "below the radar" initiative, according to Rizvi, including the PM's Energy Advisor, Tawfiq-E-Elahi Chowdhury. Rizvi added that the Prime Minister's son, Sajeeb (Joy) Wazed, was not playing a constructive role in this e-governance experiment; Joy apparently was trying to influence the e-governance team toward some of his own private sector information technology interests.

#### SLOW PROGRESS ON CIV-MIL RELATIONS

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16. (C) Rizvi said the Prime Minister continued to look for ways to tackle a key priority, strengthening civil-military relations in Bangladesh. Early in her tenure as PM, Hasina talked about establishing a civ-mil structure that might include a Joint Chiefs of Staff and/or a Defense Minister/Advisor. (Note: There currently is no separate Defense Minister in Bangladesh; the Prime Minister holds the defense portfolio herself. End Note.) The Bangladesh Rifles mutiny in February made this objective both more difficult and more urgent, Rizvi observed.

#### GOB ECONOMIC POLICY MOVING IN THE WRONG DIRECTION?

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17. (C) The Ambassador voiced concern over recent GOB decisions that were taking the country in the wrong direction

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economically. Despite paying lip service to the value of the private sector and foreign investment, GOB officials were harming the business climate in Bangladesh in a variety of ways, the Ambassador said. Examples included:

--a pending proposal to force foreign-owned shipping firms operating in Bangladesh into minority joint ventures with Bangladeshi shipping companies;

--the decision to halt development of an export processing zone where as many as 14 foreign investors had already committed \$180 million; and

--a draft industrial policy that halts the privatization of certain state-owned enterprises and recommends the re-opening of inefficient state-owned factories as an employment initiative.

18. (C) Rizvi echoed the Ambassador's dismay and pledged to raise this worrying trend with the Prime Minister. On May 28, Rizvi called the Ambassador to report he had raised these issues with the Prime Minister. The PM told Rizvi she had not previously understood the importance of the foreign shipping issue and its implications for Bangladesh's exports. Rizvi added there appeared to be powerful local interests that would like to cash in on the perceived high profitability of international shipping firms operating in Bangladesh. (Comment: The PM's remarks to Rizvi on this topic echo her response to the Ambassador when he raised the foreign shipping issue with her for a second time in April (Ref A). End Comment.)

19. (C) With regard to the export processing zone (EPZ) development, the Prime Minister told Rizvi the planned EPZ's land held silos needed for food storage. The GOB was 20 percent short of its required storage capacity for government food supplies. Given the propensity for natural disasters to interrupt Bangladesh's food supply, the GOB couldn't risk having inadequate space for government food stores. According to Rizvi, the PM pledged to reimburse one of the foreign investors who already had purchased equipment for a factory planned for the EPZ and said she would ask the

Ministry of Food and Disaster Management to see whether and alternate site could be found for the grain silos.

REACHING OUT TO THE BNP?

¶10. (C) Rizvi also told the Ambassador the Prime Minister was trying to open a backchannel line of communication with her archrival and leader of the Bangladesh Nationalist Party (BNP), Begum Khaleda Zia. Rizvi floated the name of Moudud Ahmed, who served as Law Minister during the 2001-2006 BNP government, as a possible conduit to Begum Zia for the Awami League. Rizvi added that Ahmed is likely to succeed Khondaker Delwar Hossain as Begum Zia's deputy in the BNP.

BANGLADESH MUST PURSUE INDIA OBJECTIVES

¶11. (C) During his May 26 meeting with the Ambassador, Rizvi said the GOB must move quickly to get the new Indian government's attention on issues of interest to Bangladesh. The fact that Finance Minister Pranab Mukherjee would no longer also hold the External Affairs portfolio could mean Bangladesh would lose a staunch ally at the top levels of India's government. According to Rizvi, Mukherjee as External Affairs Minister championed Bangladesh's interests and his protege, Sheikh Hasina, in the face of Indian leaders less well-disposed toward their neighbor. As Finance Minister, Mukherjee would not have the authority or the time to routinely look out for Bangladesh.

¶12. (C) Bangladesh needed to get over its long-standing reluctance to work more closely with India on issues like power-sharing and cross-border transit, Rizvi opined. He indicated the Prime Minister understood the economic benefits that her country could reap in these areas and seemed committed to trying to improve Bangladesh's ties with India. The Prime Minister's electoral mandate and the return to power of a Congress-led government in India could help overcome nay-sayers in Bangladesh, but only if the GOB moved quickly.

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¶13. (S) In terms of Bangladesh building trust with India, Rizvi and the Ambassador discussed the possibility of Bangladesh handing over United Liberation Front of Assam (ULFA) leader Anup Chetia, long wanted by the Indian government for his connection to terrorist acts in northeastern India. The Ambassador told Rizvi India was convinced that April bombings in Assam targeting Pranab Mukherjee were orchestrated from Bangladesh (Ref B). Handing over Chetia would send a strong signal of Bangladesh's commitment to cooperating with India to counter terrorism.

¶14. (S) Rizvi said on May 28 that he had floated with the Prime Minister the idea of handing over Chetia to India. Sheikh Hasina had seemed open to the possibility, but had confessed she did not know where Chetia was. The PM told Rizvi she would try to ascertain Chetia's whereabouts. (Note: Bangladesh authorities arrested Chetia in 1997, and he reportedly has been in Bangladesh custody ever since. According to December 2008 online media reports, Chetia allegedly applied to the United Nations High Commissioner for Refugees for political asylum from Kashimpur Jail on the outskirts of Dhaka. End Note.)

COMMENT

¶15. (C) Rizvi noted that the PM seemed to be more dismayed than expected over the recent death of her estranged husband. He acknowledged that her husband's death and the BDR Mutiny had slowed Sheikh Hasina's efforts to address some big issues. Rizvi remained optimistic, however, that the Prime Minister could achieve her goals despite the multitude of

roadblocks, including pressure from her government, family and other vested interests. Rizvi's views on a range of issues reflect ours, and he provides an invaluable avenue to the Prime Minister. He raised many of our issues in a three-hour meeting with her following his May 26 call on the Ambassador. He remains a valuable contact and conduit for information.

MORIARTY